White Paper on Public Sector

815. SHRI RAMDAS AGARWAL: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the National Confederation of Officers' Association of Central Public Sector Undertakings has demanded from Government a white paper on the public sector spelling out the policy and consequences of such a policy, as reported in the Hindustan Times, dated 13th July, 2000;

(b) whether SCOPE have also urged the Government to undertake the disinvestment process in a systematic, organised and transparent manner; and

(c) if so, what is Government's reaction to National Confederation's query as to what will be the shape of India's economic and political sovereignty, if sector after sector is handed over to the private sector?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Yes, Sir.

(c) Disinvestment is carried out by the Govt. in various PSEs in accordance with the declared disinvestment policy in a systematic, organised and transperant manner. There is no unplanned disinvestment.

Warnings regarding sale of PSUs

816. SHRI NILOTPAL BASU: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government are aware of the newsitem "Not for Sale" published in the Hindustan Times, dated 21st June, 2000;

(b) if so, whether Government are aware of the forewarning of Prof. Jeffry Sachs to India about going ahead with the sale of PSUs without re-evaluating the assets of these companies at current prices;

(c) if so, the response of Government thereon;

(d) whether Government are aware of the views of University of California, Los Angeles (UCLA) to the same effect drawing upon the experience of privatisation of Russian PSUs; and

(e) if so, the reaction thereto?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Yes, Sir.

(c) the shares of a PSU are disinvested by a bidding process. The best price is determined by the market forces. However, the Government values shares by different methods to ensure that the sale process fetches the best value. Whenever necessary even the assets will be valued.

(d) Yes, Sir.

(e) As mentioned in reply to part (c) of the question.

Disinvestment of IPCL

817. DR. D. VENKATESHWAR RAO: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have taken a decision to disinvest the equity in Indian Petrochemicals Corporation Ltd. (IPCL) to a strategic investor;

(b) if so, the facts thereof;

(c) whether Government received any bids in this regard;

(d) if so, the details thereof; and

(e) the reasons for delay in implementing the decisions taken by Government with regard to disinvestment in IPCL and the future programme of Government in regard thereto?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (e) On the recommendations of the Disinvestment Commission, Government have decided to disinvest 25% equity in IPCL along with transfer of management control in favour of a strategic buyer through Global Competitive Bids. Pursuant to that decision, the process of disinvestment has been taken up. The requisite legal documents are under finalisation whereafter the stage for inviting commercial bids would be ripe. The disinvestment of Govt. equity in IPCL is likely to be completed by March, 2001.

Sale of PSUs without revaluation of assets

818. SHRI DIPANKAR MUKHERJEE: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether 112 MPs had presented a memorandum in May, 2000 protesting